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DIVISION OF CHILDREN AND FAMILY SERVICES

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BRL CW Memo-2005-01

TO: Child Placing Agency Licensees Branch Offices

FROM: Jill Chase, Director
Bureau of Regulation and Licensing

RE: **TITLE IV-E PROGRAM FEDERAL AUDIT PREPARATION**

The purpose of this memo is help you prepare for the upcoming second federal audit of the Title IV-E program by describing the findings of a review conducted by Bureau of Regulation and Licensing (BRL) staff of provider files licensed in the branch offices of private child placing agencies (CPA).

You were told in DCFS INFO MEMO 2005-1, dated January 6, 2005 about the second audit of the Title IV-E program that will be conducted by the U.S. Department of Health and Human Services (DHHS) beginning May 2, 2005. This second audit is occurring because we failed the primary audit, conducted by DHHS in March 2002, that examined whether Wisconsin was accurately claiming IV-E funds and meeting federal requirements for IV-E reimbursement. The second audit will examine a random sample of cases to determine whether our state has made the improvements necessary to correct the inadequacies identified in the primary audit.

Your agency may be involved in this second audit. The review team, which will include both federal and state reviewers, will conduct an in-depth review of cases randomly drawn from the statewide out-of-home care caseload as reported on the WiSACWIS system. The review will focus on the six-month period of April 1, 2004 through September 30, 2004 but the eligibility of cases will be reviewed from the beginning of the out-of-home episode open during the April-September, 2004 period. The licensed status of the providers used during the six-month review period will also be examined.

The Division of Children and Family Services has been preparing for the upcoming repeat federal audit for some time through case file reviews conducted by MAXIMUS and state staff. The Bureau of Regulation and Licensing (BRL) is the state agency primarily responsible for ensuring that the licensing documentation, including caregiver background checks, is correct for all licensed out-of-home providers. As part of the State's preparation, last autumn BRL staff specifically reviewed the files of foster homes licensed by some of the branch offices of private child placing agencies around the state. Your office may have been involved in this review. The following summary of the findings of that review will provide you with some guidance about which areas to focus your attention on in your own preparations for the upcoming second federal audit.

The review of the provider files was designed to determine if:

- All aspects of the caregiver background check were performed on all required persons,
- The license begin date was within 60 days of the completed application for foster care and treatment foster care homes; or, within 6 months for pre-adoptive foster care homes,
- The foster home license was signed by a representative of the CPA,

- That the foster home license was not back-dated to the date the child(ren) was placed, and that
- The number of persons/children in the home did not exceed the required limit.

Overall, BRL staff was favorably impressed with the provider files reviewed. Records were, for the most part, in good order and documents were easy to locate. Files were secured as required and licensing rules were followed. However, a small number of files were deficient in two areas. These two areas were:

1. Caregiver background checks (CBC) were not completed for all household members over age 12. Specifically, agencies failed to obtain a Background Information Disclosure form HFS-64 (BID) or complete the full Department of Justice CBC for the foster parent's own children who were young teenagers (aged 13 and 14). In other instances, agencies failed to obtain a BID and conduct a full CBC on other non-client adults living in the home.
2. The license begin date for pre-adoptive foster homes was not within six months of the completed application date. This problem was found in only the records of one agency reviewed and occurred because the agency waited to issue the license until the date that a child(ren) was placed.

We recommend that you conduct a random check of your own provider files to make certain that you are complying with licensing rules and that your records are in good order and that the documents that federal auditors will need are easily located. Please be particularly mindful of the problem areas our review identified.

The case-specific findings of the BRL branch office review have been forwarded to the your assigned licensing specialist who will follow-up with you regarding the non-compliance issues that were identified.

If you have any questions about the BRL review and it's outcome or the upcoming federal audit, please contact your licensing specialist.

cc: Child Placing Agency Licensees
BRL Licensing Chiefs/Supervisors
BRL C.W. Licensing Specialists
BRL CW Program Specialist
Linda Ausse, BRL Compliance Specialist